

**VOLUME 7B, CHAPTER 60: “VICTIMS OF ABUSE – NONRETIREMENT
ELIGIBLE MEMBERS (Transitional Compensation)”**

SUMMARY OF MAJOR CHANGES

All changes are denoted by **blue font**.

Substantive revisions are denoted by an asterisk (*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue, and underlined font**.

The previous version dated **February 2015** is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Updated the chapter with hyperlinks and revised to comply with current administrative instructions.	Revision
6002	Relocated “Definitions” from Section 6001 to Section 6002 and renumbered the chapter respectively.	Revision
600403.A-C	Updated the Dependency and Indemnity Compensation Cost-of-Living Adjustment rates effective December 1, 2015.	Revision
Bibliography	Renumbered to align references with changes in text.	Revision

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CHAPTER 60

VICTIMS OF ABUSE – NONRETIREMENT ELIGIBLE MEMBERS
(Transitional Compensation)

6001 GENERAL

600101. Purpose

This chapter covers transitional compensation that may be payable to abused dependents or former dependents of nonretirement eligible members of the Armed Forces for a period of not less than 12 and not more than 36 months. Transitional Compensation is a congressionally authorized program pursuant to Title 10, United States Code, section 1059 ([10 U.S.C. § 1059](#)) which provides temporary monetary payments and benefits to dependent family members of service members or former service members who are separated from the military due to dependent-abuse offenses. For information on benefits for spouses and former spouses of retirement-eligible members who lose eligibility for retired pay because of misconduct involving abuse of dependents, see Chapter 59.

A. Transitional compensation provisions apply to members who, on or after November 30, 1993:

1. Separate from active duty under a court-martial sentence resulting from a dependent-abuse offense,
2. Separate from active duty for administrative reasons if the basis for separation includes a dependent-abuse offense, or
3. Are sentenced to forfeiture of all pay and allowances by a court-martial that has convicted the member of a dependent-abuse offense.

B. Transitional compensation is payable to dependents who qualify on or after December 1, 1993, for periods on or after December 1, 1993. In cases where a spouse or former spouse is receiving payments and there is an eligible dependent child or children not residing in the same household as the spouse, former spouse, or member, transitional compensation is payable to the dependent children for periods on or after November 1, 1998.

600102. Authoritative Guidance

[The bibliography at the end of this chapter lists the authoritative references.](#)

***6002 DEFINITIONS**

600201. Dependent-Abuse Offense

A dependent-abuse offense is conduct by a member of the Armed Forces, while on active duty for more than 30 days, that involves the abuse of the spouse or dependent child of the member

and is a criminal offense defined by [10 U.S.C. §§ 801-940](#) or other criminal code applicable to the jurisdiction where the act of abuse is committed. Crimes that may qualify as dependent-abuse offenses are ones such as sexual assault, rape, sodomy, assault, battery, murder, and manslaughter. The aforementioned offenses are not an exhaustive or exclusive listing of dependent-abuse offenses.

600202. Punitive or Other Adverse Actions

Punitive or other adverse actions are actions in which a member of the Armed Forces [who has been](#) on active duty more than 30 days and who, after November 30, 1993 is:

A. Convicted of a dependent-abuse offense and whose conviction results in separation from active duty under a court-martial sentence or forfeiture of all pay and allowances under a court-martial sentence; or

B. Administratively separated, voluntarily or involuntarily, from active duty according to applicable Military Service regulations if the basis for separation includes a dependent-abuse offense.

600203. Cohabitation

Cohabitation is when the spouse, former spouse, or dependent child is residing in the same household as the former member after punitive or other adverse action is executed against the member or former member.

600204. Dependent Child

A dependent child is an unmarried child, including an adopted child or a stepchild who is residing with the member or eligible spouse at the time of the dependent-abuse offense, which results in the separation of the former member or who was carried during pregnancy at the time of the dependent-abuse offense resulting in the separation of the former member and was subsequently born alive to the eligible spouse or former spouse (as defined in 10 U.S.C. § 1059(1)) and who is:

A. Under age 18;

B. Age 18 or older and incapable of self-support because of a mental or physical incapacity that existed before age 18 and who is (or, at the time a punitive or other adverse action was carried out in the case of the former member, [was](#)) dependent on the former member for over one-half of the child's support; or

C. Age 18 or older, but less than age 23, enrolled in a full-time course of study in an institution of higher learning approved by the Secretary of Defense and who is (or, at the time a punitive or other adverse action was carried out in the case of the former member, [was](#)) dependent on the former member for over one-half of the child's support.

600205. Spouse or Former Spouse

The term spouse or former spouse refers to the husband or wife, or former husband or former wife, respectively, of the member or former member at the time of the commission of the dependent-abuse offense resulting in separation from military service.

6003 ELIGIBILITY FOR TRANSITIONAL COMPENSATION

600301. Eligibility for Transitional Compensation Payment

The dependents of a member or former member who separated on or after November 30, 1993 and the basis for the separation includes a dependent-abuse offense, are eligible for transitional compensation payments. Payments begin on or after December 1, 1993 for eligible dependents. If a recipient is incapable of handling his or her affairs, then payments are made only to a court-appointed guardian. In the case of a dependent child under 18 years of age, payments are made only to a court-appointed guardian or a natural parent (who is not a spouse of the member) if the natural parent has legal custody of the dependent child.

A. Spouse or Former Spouse. In the case of a separation from active duty under punitive or other adverse action, payments are made to the person who was the member's spouse at the time of the offense. The spouse or former spouse does not have to be the victim in order to receive transitional compensation.

B. Dependent Child. Effective November 1, 1998, a dependent child of the member who does not reside in the same household as the member's spouse or former spouse may be paid transitional compensation benefits. Payments may be made to such dependent child as prescribed in paragraph 600401. A dependent child's eligibility is determined as of the date on which the member is convicted of the dependent-abuse offense or the date on which the member is administratively separated. Prior to November 1, 1998, there was no provision mentioned for the member's dependent children who resided in the same household as the eligible spouse or former spouse.

600302. Exceptional Eligibility Authority

A. The Secretary concerned may authorize eligibility for transitional compensation benefits for dependents and former dependents of a former member of the Armed Forces for cases in which the dependents are not otherwise eligible for such benefits if the Secretary concerned determines that:

1. The former member engaged in conduct that is a dependent-abuse offense; and

2. The former member was separated from active duty in a manner described in paragraph 600202, on or after November 24, 2003.

B. Benefits authorized to be provided under this section shall be provided in the same manner as if the former member were an individual separated [in a manner](#) described in paragraph [600202](#). The Secretary concerned shall adjust the commencement and duration of payment provisions of paragraph [600401](#), as the Secretary considers necessary according to the circumstances, in order to provide benefits equivalent to those provided in the case of an individual separated [in a manner](#) described in paragraph [600202](#).

C. Exceptional eligibility authority by the Secretary concerned may not be delegated.

[600303](#). Application

An individual can request transitional compensation through a Military Service representative. The Military Service representative may:

A. Approve payment;

B. Assist applicant in filling out the Department of Defense [\(DD\) Form 2698](#), Application for Transitional Compensation;

C. Have the applicant submit a Standard Form 1199A (Direct Deposit Sign-up Form), completed by the applicant and the financial institution or a voided check/deposit slip with a written authorization for direct deposit of payments; and

D. Provide the Operation and Maintenance fund citation, and forward the application and information for direct deposit to Defense Finance and Accounting Service (DFAS) at the following address:

Defense Finance and Accounting Service
Attn: VOA
P.O. Box 998011
Cleveland, OH 44199-8011

Facsimile Numbers: DSN: 580-6470
Commercial Number: (216) 522-6470

[6004](#) PAYMENT

[600401](#). Recipients of Payments

Transitional compensation shall be paid as follows:

A. If the member or former member was married at the time of the dependent-abuse [offense](#), then compensation shall be paid to the spouse or former spouse to whom the member or former member was married to at that time. An amount will be included

for each, if any, dependent child of the member or former member, provided the child resides in the same household as the spouse or former spouse.

B. If a spouse or former spouse has forfeited his or her entitlement for reasons described in paragraph 600405, then compensation shall be paid to each eligible dependent child who does not reside in the household of the member or the ineligible spouse or former spouse.

C. If there is no eligible spouse or former spouse, then such compensation shall be paid to the dependent children of the member or former member.

600402. Commencement and Duration of Payment

A. In the case of a member convicted by a court-martial of a dependent-abuse offense, payments begin:

1. As of the date that the court-martial sentence is adjudged if the sentence, as adjudged, includes a dismissal, dishonorable discharge, bad-conduct discharge, or forfeiture of all pay and allowances; or

2. If there is a pretrial agreement that provides for disapproval or suspension of the dismissal, dishonorable discharge, bad-conduct discharge, or forfeiture of all pay and allowances, as of the date the court-martial sentence was approved by the person acting under [10 U.S.C. § 860\(c\)](#), only if the sentence as approved, includes an unsuspended dismissal, dishonorable discharge, bad-conduct discharge, or forfeiture of all pay and allowances.

B. In the case of a member being administratively separated based on a dependent-abuse offense, payment begins as of the date that the separation action was initiated by the commander under regulations determined by the Secretary concerned.

C. Payments are made for a period of not less than 12 months, but cannot exceed 36 months, based on policies established by the Secretary concerned.

1. When the unserved portion of the member's obligated active duty service, as of the starting date of payment, is greater than 12 months and less than or equal to 36 months, the duration of payments shall be no less than the unserved portion.

2. For enlisted members, the "obligated active duty service" is the time remaining on their term of enlistment. For officers, the "obligated active duty service" is indefinite unless the officer has a date of separation established, in which case it is the time remaining until the date of separation.

D. A dependent child who was carried during pregnancy at the time of the dependent-abuse offense resulting in the separation of the former member who was subsequently born alive to the eligible spouse or former spouse (as defined in 10 U.S.C. § 1059(l)) shall not receive payment until after the child is born. Payments to a child under this paragraph shall not

cover any period prior to the birth of the child. Payments under this provision are effective January 2, 2013. There is no authority for payments prior to January 2, 2013.

*600403. Amount of Payment

* A. A spouse or former spouse receives transitional compensation at the same rate as monthly Dependency and Indemnity Compensation (DIC) under [38 U.S.C. § 1311\(a\)\(1\)](#).

<u>DIC Rate</u>	<u>Effective Date</u>
\$769.00	December 1, 1993
790.00	December 1, 1994
810.00	December 1, 1995
833.00	December 1, 1996
850.00	December 1, 1997
861.00	December 1, 1998
881.00	December 1, 1999
911.00	December 1, 2000
935.00	December 1, 2001
948.00	December 1, 2002
967.00	December 1, 2003
993.00	December 1, 2004
1,033.00	December 1, 2005
1,067.00	December 1, 2006
1,091.00	December 1, 2007
1,154.00	December 1, 2008
1,154.00	December 1, 2009
1,154.00	December 1, 2010
1,195.00	December 1, 2011
1,215.00	December 1, 2012
1,233.23	December 1, 2013
1,254.19	December 1, 2014
1,254.19	December 1, 2015

NOTE: The DIC rate for 2015 remained the same as December 1, 2014. Additionally, the DIC rates for 2009 and 2010 remained the same as the December 1, 2008 rate. See the VA website at http://benefits.va.gov/Compensation/current_rates_dic.asp for information on DIC and other Rates.

* B. If the spouse or former spouse has custody of a dependent child or children of the member who resides in the same household as that spouse or former spouse, then transitional compensation is increased for each child by an amount equal to the monthly DIC amount payable for dependent children under 38 U.S.C. § 1311(b).

<u>DIC Rate</u>	<u>Effective Date</u>
\$150.00	October 1, 1993
200.00	October 1, 1994
205.00	December 1, 1995
211.00	December 1, 1996
215.00	December 1, 1997
217.00	December 1, 1998
222.00	December 1, 1999
229.00	December 1, 2000
234.00	December 1, 2001
237.00	December 1, 2002
241.00	December 1, 2003
247.00	December 1, 2004
257.00	December 1, 2005
265.00	December 1, 2006
271.00	December 1, 2007
286.00	December 1, 2008
286.00	December 1, 2009
286.00	December 1, 2010
296.00	December 1, 2011
301.00	December 1, 2012
305.52	December 1, 2013
310.71	December 1, 2014
310.71	December 1, 2015

* C. If transitional compensation is payable to a dependent child under subparagraph 600101.B, then payments are made in equal shares, in an amount equal to the monthly DIC amount payable for dependent children under [38 U.S.C. § 1313](#).

DIC Child Rate

<u>Effective</u>	<u>1 Child</u>	<u>2 Children</u>	<u>3 Children</u>	<u>Over 3</u>
December 1, 1993	\$327.00	\$471.00	\$610.00	\$610.00 plus \$120.00 for each child over 3
December 1, 1994	\$336.00	\$484.00	\$627.00	\$627.00 plus \$123.00 for each child over 3
December 1, 1995	\$344.00	\$496.00	\$643.00	\$643.00 plus \$126.00 for each child over 3
December 1, 1996	\$354.00	\$510.00	\$662.00	\$662.00 plus \$130.00 for each child over 3
December 1, 1997	\$361.00	\$520.00	\$675.00	\$675.00 plus \$132.00 for each child over 3
December 1, 1998	\$365.00	\$526.00	\$683.00	\$683.00 plus \$133.00 for each child over 3

December 1, 1999	\$373.00	\$538.00	\$699.00	\$699.00 plus \$136.00 for each child over 3
December 1, 2000	\$386.00	\$556.00	\$723.00	\$723.00 plus \$140.00 for each child over 3
December 1, 2001	\$397.00	\$571.00	\$742.00	\$742.00 plus \$143.00 for each child over 3
December 1, 2002	\$402.00	\$578.00	\$752.00	\$752.00 plus \$145.00 for each child over 3
December 1, 2003	\$410.00	\$590.00	\$767.00	\$767.00 plus \$148.00 for each child over 3
December 1, 2004	\$421.00	\$605.00	\$787.00	\$787.00 plus \$151.00 for each child over 3
December 1, 2005	\$438.00	\$629.00	\$819.00	\$819.00 plus \$157.00 for each child over 3
December 1, 2006	\$452.00	\$649.00	\$846.00	\$846.00 plus \$162.00 for each child over 3
December 1, 2007	\$462.00	\$663.00	\$865.00	\$865.00 plus \$165.00 for each child over 3
December 1, 2008	\$488.00	\$701.00	\$915.00	\$915.00 plus \$174.00 for each child over 3
December 1, 2009	\$488.00	\$701.00	\$915.00	\$915.00 plus \$174.00 for each child over 3
December 1, 2010	\$488.00	\$701.00	\$915.00	\$915.00 plus \$174.00 for each child over 3
December 1, 2011	\$505.00	\$726.00	\$947.00	\$947.00 plus \$180.00 for each child over 3
December 1, 2012	\$513.00	\$738.00	\$963.00	\$963.00 plus \$183.00 for each child over 3
December 1, 2013	\$520.70	\$749.07	\$977.45	\$977.45 plus \$185.75 for each child over 3
December 1, 2014	\$529.55	\$761.80	\$994.07	\$994.07 plus \$188.91 for each child over 3
*December 1, 2015	\$529.55	\$761.80	\$994.07	\$994.07 plus \$188.91 for each child over 3

D. Payments will be prorated for months when payments start or stop in the middle of a month (e.g., if the former spouse receiving transitional compensation remarries, then compensation terminates effective as of the date of the marriage).

E. When paying multiple children and the payment amount does not divide equally, the youngest child shall receive the odd cent(s).

F. Transitional compensation payments will stop effective the date of death of the recipient. Arrears of compensation will not be paid.

G. Advance payment of transitional compensation benefits is not authorized.

600404. Effect of Continuation of Military Pay

In the case of payment of transitional compensation by reason of a total forfeiture of pay and allowances pursuant to a sentence of a court-martial, payment of transitional compensation shall not be made for any period for which an order, in whole or in part:

- A. Suspends that part of a sentence that includes forfeiture of the member's pay and allowances; or
- B. Otherwise results in the continuation of the member's pay and allowances.

600405. Forfeiture Provisions

A. The following will result in the forfeiture of transitional compensation payable to the spouse or former spouse:

1. Cohabitation. If after a punitive or other adverse action has been executed and the former member resides in the same household as the spouse or former spouse or child who is receiving transitional compensation, then compensation terminates as of the date the former member begins residing in the household. Any compensation paid before the member resides in the household shall not be recouped. Once terminated for cohabitation, the payments do not resume.

2. Remarriage. If the former spouse receiving compensation remarries, then compensation terminates effective as of the date of the former spouse's remarriage. Payments do not resume if the subsequent marriage is terminated.

3. Active Participation. If the victim was a dependent child, and the competent authority designated by the Secretary concerned has found that the spouse was an active participant in the conduct constituting the criminal offense, or actively aided or abetted the member in such conduct against that dependent child, then the spouse or former spouse may not be paid transitional compensation.

B. Annual Certification is the certificate provided by the spouse or former spouse that certifies annually to the DFAS-Cleveland Site that he or she has not remarried and has not been cohabiting with the offender. The form to be used is a Certificate of Eligibility (COE).

1. Notify the DFAS-Cleveland Site. The spouse or former spouse must notify the DFAS-Cleveland Site within 30 days of the date of remarriage or the date the member begins residing in the same household as the spouse, former spouse, or dependent child.

2. The Parent or Court-Approved Guardian COE Requirement. The parent or court-approved guardian will certify annually that the dependent child or children are not residing with the offender or ineligible spouse via the COE process. If the COE is not received within 60 days of the date of the COE, then payments will be suspended until verification of eligibility is received.

600406. Termination of Payments

Transitional compensation is not payable when a member's court-martial sentence, which includes a dismissal, dishonorable discharge, or bad-conduct discharge, is remitted, set aside, or mitigated to a lesser punishment that does not include such punishment, or the administrative separation is disapproved. Any payment of transitional compensation that has started shall stop effective the first day of the month after the Secretary concerned notifies the recipient in writing that payment shall cease for such reason. The recipient is not required to repay transitional compensation received before the effective date of termination, excluding erroneous payments.

600407. Taxability

Transitional compensation payments are considered benefits that are excludable from taxation and should not be reported on Internal Revenue Service Form 1099R, (Distribution from Pensions, Annuities, Retirement of Profit Sharing Plans, Individual Retirement Accounts, Insurance Contracts, etc.)

6005 OTHER BENEFITS

600501. Coordination of Benefits

A. Election of Benefits: A spouse or former spouse may not concurrently receive both payments of transitional compensation under 10 U.S.C. § 1059 and payments under 10 U.S.C. § 1408(h)(1) (see Chapter 59 for spouses and former spouses of retirement-eligible members who lost eligibility for retired pay as a result of misconduct involving abuse of dependents). If a spouse or former spouse has obtained a court order awarding compensation pursuant to 10 U.S.C. § 1408(h)(1), then the spouse or former spouse shall elect which benefit to receive. An application for payment under 10 U.S.C. § 1408(h), pursuant to the requirements of Chapter 59, will be considered an election to receive 10 U.S.C. § 1408(h) payments. (See Chapter 59, Paragraph 5903 for application requirements).

* B. Effective Date. The election to receive benefits under 10 U.S.C. § 1408(h) is effective on the date that a complete application is received. If the applicant is not eligible to receive benefits under 10 U.S.C. § 1408(h) on the date the application is received, then the effective date will be the date the applicant becomes eligible for payments under 10 U.S.C. § 1408(h). Payments of transitional compensation under 10 U.S.C. § 1059 will be terminated and payment under 10 U.S.C. § 1408(h) shall commence on the first day of the first month after the date the election to receive payments under 10 U.S.C. § 1408(h) is effective.

600502. Commissary and Exchange Benefits

A. A dependent or former dependent entitled to payment of monthly transitional compensation shall, while receiving payments in accordance with 10 U.S.C. § 1059, be entitled to use commissary and exchange stores to the same extent and manner as a dependent of a member of the Armed Forces on active duty for a period of more than 30 days.

B. If a dependent or former dependent is eligible or entitled to use commissary and exchange stores under another provision of law, then the eligibility or entitlement of that dependent or former dependent to use commissary and exchange stores shall be determined under the other provision of law rather than under this paragraph.

600503. Medical and Dental Care

A. Eligible dependents may, while receiving transitional compensation, receive dental and medical care, including mental health services, through military facilities as TRICARE beneficiaries. Pursuant to the approval of the Secretary of the Military Department concerned, eligible dependents of a member or former member are entitled to medical and dental care for problems associated with the abuse.

B. The Secretary concerned may furnish medical care in facilities of the uniformed services to the dependent for the treatment of any adverse health condition resulting from such dependent's knowledge of the abuse, or any injury or illness suffered by the abused person because of such abuse.

C. Medical and dental care furnished to a dependent of a former member of the uniformed services in facilities of the uniformed services shall be limited to the health care prescribed by [10 U.S.C. § 1077](#); and subject to the availability of space, facilities, and the capabilities of the medical and dental staff.

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**CHAPTER 60: VICTIMS OF ABUSE – NONRETIREMENT ELIGIBLE MEMBERS
(Transitional Compensation)**

6001 – GENERAL PROVISIONS

600101 10 U.S.C. § 1059
Department of Defense Instruction 1342.24,
May 23, 1995,
Office of the Assistant Secretary of Defense/Force
Management Memorandum, October 19, 1994

6002 DEFINITIONS

600201-600205 10 U.S.C. § 1059
600204 10 U.S.C. § 1059(l)
Public Law 112-239, section 564,
January 2, 2013
Public Law 113-181, section 2, November 13, 2014

6003 ELIGIBILITY FOR TRANSITIONAL COMPENSATION

600301.B 10 U.S.C. § 1059(d)(2)
600302 10 U.S.C. § 1059(m)

6004 PAYMENT

600401 10 U.S.C. § 1059(d)
600402 10 U.S.C. § 1059(e)
600402.C Principal Deputy Under Secretary of Defense for
Personnel and Readiness Policy Memorandum,
June 14, 2004
600403 Public Law 112-53, section 2 (a) – (e),
November 9, 2011
Public Law 112-198, section 2 (a) – (d)
November 27, 2012
Public Law 113-52, section 2 (a) – (e),
November 21, 2013
Public Law 113-181, section 2 (a) – (e),
November 13, 2014
600403.A and B 38 U.S.C. § 1311
600403.C 38 U.S.C. § 1313
600405 10 U.S.C. § 1059(g)

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600406	10 U.S.C. § 1059(e)(3)(C)
600407	Armed Forces Tax Council Memorandum, December 16, 1994

6005 – OTHER BENEFITS

600501	10 U.S.C. § 1059(i)
600502	10 U.S.C. § 1059(j)
600503	10 U.S.C. § 1076(e)